



**FACTORS AFFECTING ECONOMIC GROWTH IN MALAYSIA
(2010 -2018)**

HARITH BIN REJAB

2016668788

**BACHELOR OF BUSINESS ADMINISTRATION (HONS)
FINANCE FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA KAMPUS BANDARAYA
MELAKA**

JUNE 2019

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (FINANCE)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA MELAKA
“DECLARATION OF ORIGINAL WORK”**

I, HARITH BIN REJAB, (I/C Number: 940730146061)

Hereby, declare that:

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any others degrees.
- This project paper is the result of my independent work and investigations, except where otherwise stated.
- All verbalism extract have been distinguished by quotation marks and sources of my information have been specifically acknowledge.

Signature:

Date:

LETTER OF SUBMISSION

JUNE 2019

HEAD OF PROGRAMME

Faculty of Business Management

Universiti Teknologi MARA (Kampus Bandaraya Melaka)

75300, Melaka.

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**FACTORS AFFECTING ECONOMIC GROWTH IN MALAYSIA**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

HARITH BIN REJAB

2016668788

Bachelor of Business Administration (Hons) (Finance)

TABLE OF CONTENTS

CONTENT	PAGE
TITLE PAGE	ii
DECLARATION OF ORIGINAL WORK	iii
LETTER OF SUBMISSION	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vi
LIST OF FIGURES .	x
LIST OF TABLES	xi
LIST OF ABBREVIATIONS	xii
ABSTRACT	xiii
 CHAPTER 1 INTRODUCTION	 PAGE
1.0 Introduction	1
1.1 Research Background	1-2
1.1.1 Economic Growth in Malaysia	2-4
1.2 Problem Statement	4-8
1.3 Research Objectives	9
1.3.1 General Objective	9
1.3.2 Specific Objectives	9
1.4 Research Questions	10
1.5 Hypothesis of study	11-12
1.6 Significance of the Study	13
1.6.1 Government Conclusion	13
1.6.2 Policy maker	14
1.6.3 Researcher	15
1.7 Conclusion	16

ABSTRACT

Economic growth (GDP) plays an important roles to ensure a better position of economic and positive image of a country. The aim of this study is to examine the relationship between inflation, foreign direct investment (FDI), exchange rate, government expenditure, and export on economic growth of Malaysia by using the time series data quarterly basis from 2010 to 2018. This study used secondary data to be run in the E-views software while the models that being used is Multiple Linear Regression to find the relationship between all independent variables and dependent variable. Based on the empirical result, inflation and government expenditure has a positive and significant effect while exchange rate has a positive but insignificant effect on economic growth. Meanwhile export and foreign direct investment (FDI) shows insignificant but has a negative relationship with GDP. Therefore, this study might be useful for policy makers, investors and public.